



Rules and Ancillary Document Review Checklist

All responses should be in **bold** format.

Document Reviewed:

WAC 458-16-560 - Housing for very low-income households

Date last adopted: **8/08/02**

Reviewer: **Kim M. Qually**

Date review completed: **5/26/05**

Is this document being reviewed at this time because of a taxpayer or business association request? **YES** ☐ **NO** ☒

Type an "x" in the column that most correctly answers the question, and provide clear, concise, and complete explanations where needed.

1. Explain the goal(s) and purpose(s) of the document:

The goal and purpose of WAC 458-16-560 is to describe the property tax exemption available to nonprofit entities providing rental housing or space for the placement of mobile homes within a mobile home park for occupancy by a very low-income household in accordance with RCW 84.36.560. It explains how the exemption will be administered and defines the terms used relative to this purpose.

2. Need:

YES	NO	
X		Is the document necessary to comply with the statutes that authorize it?
	X	Is the document obsolete to a degree that the information it provides is of so little value that the document warrants repeal or revision?
	X	Have the laws changed so that the document should be revised or repealed?
X		Is the document necessary to protect or safeguard the health, welfare (budget levels necessary to provide services to the citizens of the state of Washington), or safety of Washington's citizens?

Please explain.

WAC 458-16-560 was written in 2002 to inform taxpayers and local taxing officials about the exemption initially authorized by legislation in 1999 and as amended by the 2001 Legislature. This property tax exemption applies to property owned or used by a nonprofit entity that provides rental housing for very low-income households or used to provide a parcel of land upon which a mobile home for rental by a very low-income household will be placed within a mobile home park.



3. Related ancillary documents, court decisions, BTA decisions, and WTDs: Complete

Subsection (a) only if reviewing a rule. Subsection (b) should be completed only if the subject of the review is an ancillary document. Excise Tax Advisories (ETAs), Property Tax Bulletins (PTBs) and Audit Directives (ADs) are considered ancillary documents.

(a)

YES	NO	
	X	Are there any ancillary documents that should be incorporated into this rule?
	X	Are there any ancillary documents that should be repealed because the information is currently included in this or another rule, or the information is incorrect or not needed?
	X	Are there any Board of Tax Appeal (BTA) decisions, court decisions, or Attorney Generals Opinions (AGOs) that provide information that should be incorporated into this rule?
	X	Are there any administrative decisions that provide information that should be incorporated into the rule?

(b)

YES	NO	
		Should this ancillary document be incorporated into a rule?
		Are there any Board of Tax Appeal (BTA) decisions, court decisions, or Attorney Generals Opinions (AGOs) that affects the information now provided in this document?
		Are there any administrative decisions (e.g., Appeals Division decisions (WTDs)) that provide information that should be incorporated into the document?

If the answer is “yes” to any of the questions in (a) or (b) above, identify the pertinent document(s) and provide a brief summary of the information that should be incorporated into the document.

Not applicable

4. Clarity and Effectiveness:

YES	NO	
X		Is the document written and organized in a clear and concise manner?
X		Are citations to other rules, laws, or other authority accurate?
X		Is the document providing the result(s) that it was originally designed to achieve?
	X	Do changes in industry practices warrant repealing or revising this document?
	X	Do any administrative changes within the Department warrant repealing or revising this document?



Please explain.

WAC 458-16-560 was written and adopted in 2002. It is written in a clear and concise manner in the format now favored by DOR and includes introductory paragraphs explaining the intended use of the rule. Because the rule was so recently adopted, the style and content of the rule was carefully considered during the drafting process and it is written in a user friendly manner.

5. Intent and Statutory Authority:

YES	NO	
X		Does the Department have sufficient authority to adopt this document?
X		Is the document consistent with the legislative intent of the statutes that authorize it? (I.e., is the information provided in the document consistent with the statute(s) that it was designed to implement ?) If “no”, identify the specific statute and explain below. List all statutes being implemented in Section 9, below.)
	X	Is there a need to recommend legislative changes to the statutes being implemented by this document?

Please explain.

RCW 84.36.865 grants DOR the authority to adopt rules and regulations as may be necessary or desirable to permit the effective administration of the chapter 84.36 RCW relating to property tax exemptions.

6. Coordination: Agencies should consult with and coordinate with other governmental entities that have similar regulatory requirements when it is likely that coordination can reduce duplication and inconsistency.

YES	NO	
	X	Could consultation and coordination with other governmental entities and/or state agencies eliminate or reduce duplication and inconsistency?

Please explain.

Property tax exemptions are administered by the Property Tax Division of DOR. Local governments and other state agencies, as appropriate, are consulted during the rule-making process so the chance of adopting duplicative and/or inconsistent rules is minimal.

7. Cost: When responding, consider only the costs imposed by the document being reviewed and not by the statute.

YES	NO	
	X	Have the qualitative and quantitative benefits of the document been considered in relation to its costs?



Please explain.

This is an interpretative rule that doesn't impose any additional administrative burdens on taxpayers that are not already imposed by the statutes in chapter 84.36 RCW.

8. Fairness: When responding, consider only the impacts imposed by the document being reviewed and not by the statute.

YES	NO	
X		Does the document result in equitable treatment of those required to comply with it?
	X	Should it be modified to eliminate or minimize any disproportionate impacts on the regulated community?
	X	Should the document be strengthened to provide additional protection to correct any disproportionate impact on any particular segment of the regulated community?

Please explain.

This rule applies uniformly to all nonprofit entities that either provide housing for very low-income households or spaces for the placement of mobile homes within mobile home parks for occupancy by very low-income households. Since the rule was adopted in 2002, no problems related to it have been brought to DOR's attention.

9. LISTING OF DOCUMENTS REVIEWED: (Use "bullets" with any lists, and include documents discussed above. Citations to statutes, ancillary documents, and similar documents should include titles. Citations to Attorneys General Opinions (AGOs) and court, Board of Tax Appeals (BTA), and Appeals Division (WTD) decisions should be followed by a brief description (i.e., a phrase or sentence) of the pertinent issue(s).)

Statute(s) Implemented:

RCW 84.36.560 - Nonprofit organizations that provide rental housing or used space to very low-income households

Ancillary Documents (i.e., ETAs, PTBs, and ADs): **None**

Court Decisions: **None**

Board of Tax Appeals Decisions (BTAs):

Shelter America Group v. DOR, Docket No. 57003 (2002) - if units weren't occupied on January 1st but were 90% occupied in September, is the property eligible for exemption retroactive? BTA said no.

Administrative Decisions (e.g., WTDs): **None**

Attorney General's Opinions (AGOs): **None**



Other Documents: **None**

10. Review Recommendation:

- ☐ Amend
- ☐ Repeal
- ☒ Leave as is
- ☐ Begin the rule-making process for possible revision.
- ☐ Incorporate ancillary document into a new or existing rule.

Explanation of recommendation: (If recommending an amendment of an existing rule, provide only a brief summary of the changes you've identified/recommended earlier in this review document.)

The rule was written in 2002. It has not presented any interpretive problems to the Department. It has not been challenged in court and the only BTA case in which it was discussed had more to do with the timing of when the exemption took effect than the exemption statute or rule. There is no need to amend or revise the rule at the present time.

11. Manager action: Date: June 1, 2005

- ☐ Reviewed recommendation AL Accepted recommendation
- ☐ Returned for further action

Comments: